



DEPARTMENT OF CONSERVATION
STATE OF CALIFORNIA

April 5, 2004

NOTICE

TO: All Certified Processors and Other Interested Parties

SUBJECT: Statewide Average Monthly Scrap Value Notice for
January 2004

DIVISION OF
RECYCLING

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California Code of Regulations (CCR), Title 14, Section 2985 (b), requires the Department of Conservation (Department), Division of Recycling (Division) to provide written notification of the monthly statewide weighted average scrap values for beverage container material types reported to the Division by participating certified processors. In order to keep all participants informed, the Division has also chosen to post this notice on the Department's website at www.conservation.ca.gov.

The statewide weighted average scrap values for each beverage container material type reported with this notice are scrap value **purchases** reported by participating certified processors. Year-to-date totals for glass are reported at the request of the glass industry. These totals for glass are provided to enable the industry to see how the value of glass develops from October 2003 to the present. Aluminum scrap values are derived from the American Metal Market publication.

Public Resources Code (PRC) §14575(g) gives the Division the discretion to adjust the processing payment not more than every three months if the Division has determined that the average scrap value for a specific beverage container material type is 5 percent more or less than the statewide average scrap value used as the basis for the processing payment(s) currently in effect, and that adjusting the processing payment(s) is necessary to further the objective of the beverage container recycling program.

As indicated in the chart on the next page the scrap values for several material types are 5 percent more or less than the statewide average scrap value(s) used as the basis for the processing payment(s) currently in effect. Although processing payment adjustments are permissible for PET and HDPE, the Division does not believe such adjustments are in the best interest to the beverage container recycling program at this time. As scrap values for plastic resins #3 - #7 and bimetal are highly volatile and based on small volumes, processing payment adjustments will not be considered for these material types.

ALL INTERESTED PARTIES

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The percentage change between the scrap values used as the basis for the current processing payments and the scrap values based on the 12-month January – December 2003 average are as follows:

Change in Scrap Value Per Ton Between Oct 02 - Sept. 03 and Jan. - Dec 03									
Material Types	Glass	PET #1	HDPE #2	PVC #3	LDPE #4	PP #5	PS #6	Other #7	Bimetal
Scrap Value Per Ton Basis Current Proc. Payment	\$7.33	\$161.46	\$151.78	\$12.64	\$14.00	\$0.00	\$0.54	\$7.87	\$1.45
Scrap Value Per Ton (1st Qtr Calc Jan-Dec 03)	\$6.97	\$201.13	\$163.02	\$4.70	\$0.00	\$0.00	(\$2.20)	(\$15.47)	\$1.77
Change	-4.91%	24.57%	7.41%	-62.82%	-100.00%	0.00%	-507.41%	-96.57%	22.07%

The Division does not expect to make any changes to processing payments based on the changes in scrap value noted above.

These data are initial estimates and are subject to future adjustment that will be reflected in subsequent notices. If you have any questions regarding this notice, please contact Sharon Minard, Division of Recycling, at (916) 323-5878 or sminard@conservation.ca.gov

Chuck Seidler
Market Research Branch

Scrap Value Per Ton

	Aluminum	Glass	Bimetal	#1 PET Plastic	#2 HDPE Plastic
Oct-03	\$999.35	\$5.71	(\$2.76)	\$265.46	\$195.87
Nov-03	\$1,040.00	\$4.97	\$7.92	\$266.13	\$193.33
Dec-03	\$1074.19	\$5.69	(\$1.16)	\$259.19	\$188.92
Jan-04	\$1141.29	\$3.39	(\$2.43)	\$264.09	\$199.15
Feb-04					
Mar-04					
Apr-04					
May-04					
Jun-04					
Jul-04					
Aug-04					
Sep-04					

Scrap Value Per Ton

	#3 V Plastic	#4 LDPE Plastic	#5 PP Plastic	#6 PS Plastic	#7 Other Plastic
Oct-03	\$93.00	\$0.00	\$0.00	(\$6.00)	(\$5.89)
Nov-03	(\$ 1.67)	\$0.00	\$0.00	\$0.00	(\$ 148.36)
Dec-03	\$0.00	\$0.00	\$0.00	\$0.00	(\$186.00)
Jan-04	\$16.85	\$38.00	\$5.00	\$163.64	(\$37.11)
Feb-04					
Mar-04					
Apr-04					
May-04					
Jun-04					
Jul-04					
Aug-04					
Sep-04					

<p>GLASS YEAR TO DATE OCTOBER 2003 – SEPTEMBER 2004 AVERAGE \$/TON: \$5.48 RC + CS + SP + CP TONS: 102,214.74</p>
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